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13 **UNITED STATES BANKRUPTCY COURT**  
14 **NORTHERN DISTRICT OF CALIFORNIA**  
15 **SAN FRANCISCO DIVISION**

16 **In re:**

17 **PG&E CORPORATION**

18 **-and-**

19 **PACIFIC GAS AND ELECTRIC  
COMPANY,**

20 **Debtors**

21  Affects PG&E Corporation  
22  Affects Pacific Gas and Electric Company  
23  Affects both Debtors

24  
25 \*All papers shall be filed in the Lead Case,  
26 No. 19-30088 (DM)

Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

27  
28 **DECLARATION OF BRENT C.  
WILLIAMS IN SUPPORT OF  
RESPONSE OF OFFICIAL  
COMMITTEE OF TORT CLAIMANTS  
TO DEBTORS' RESTATED  
RESTRUCTURING SUPPORT AND  
SETTLEMENT AGREEMENT WITH  
THE CONSENTING SUBROGATION  
CLAIMHOLDERS [DKT NO. 4554-1]**

1        1. I, Brent C. Williams, am a Managing Director and Co-Head of Lincoln's Special  
2 Situations Group at Lincoln Partners Advisors LLC ("Lincoln"), which has its principal office at  
3 500 West Madison Street, Suite 3900 Chicago, IL. I am authorized to execute this declaration on  
4 behalf of Lincoln. Unless otherwise stated in this declaration, I have personal knowledge of the  
5 facts set forth herein.

6        2. Lincoln is the financial advisor to the Official Committee of Tort Claimants (the  
7 "TCC") of PG&E Corporation and Pacific Gas and Electric Company (the "Debtors") in these  
8 chapter 11 cases.

9        3. I submit this Declaration in support of the TCC's response to the Debtors' restated  
10 Restructuring Support and Settlement Agreement with the Consenting Subrogation Claim Holders.

11        4. The TCC requested that Lincoln prepare an analysis of the overlapping subrogation  
12 claim holders and equity holders. For this analysis, we consulted the Fifth Amended Verified  
13 Statement of the Ad Hoc Group of Subrogation Claim Holders Pursuant to Bankruptcy Rule 2019,  
14 dated October 18, 2019, (Dkt. No. 4302) and the Fourth Amended Verified Statement of Jones Day  
15 Pursuant to Federal Rule of Bankruptcy Procedure 2019 dated October 21, 2019, (Dkt. No. 4355).  
16 Our analysis is attached hereto as **EXHIBIT A**.

17        5. The TCC requested that Lincoln evaluate the impact of the subrogation claim  
18 holders receiving \$11 billion in cash under the Debtors' proposed plan and the potential  
19 consideration that would remain, including cash and stock, to the fire victims. For this analysis,  
20 we evaluated the Debtors' proposed plan of reorganization, which provides the Other Wildfire  
21 Claims (as defined in the Debtors' plan) with \$8.4 billion in cash or non-cash consideration, at the  
22 Debtors' sole discretion, as compared to the Bondholder/TCC plan, which provides the fire victims  
23 with \$13.5 billion, split equally between cash and equity. In order for the Debtors' plan to provide  
24 Fire Claimants with \$13.5 billion of total consideration as provided for in the Bondholder/TCC  
25 Plan, it is likely that a significant portion of the total consideration to Other Wildfire Claims would  
26 be provided in the form of equity and other non-cash consideration.

27        6. The TCC requested that Lincoln research whether current equity holders  
28 participated in the proxy battle to elect the current Board of Directors of the Debtors. Attached

1 hereto as **EXHIBIT B** is a true and correct copy of Schedule 13D, dated March 8, 2019, as it  
2 pertains to Knighthead Capital Management, LLC, which states the following on page 4:

3 On March 8, 2019, the Reporting Person and two other shareholders, Redwood  
4 Capital Management, LLC, a Delaware limited liability company, and Abrams  
5 Capital Management, L.P., a Delaware limited partnership (collectively, the “Other  
6 Shareholders”), had an initial joint conference call, together with financial advisers  
7 and counsel, to discuss the status of discussions with representatives of the  
Company regarding the Board refreshment and CEO selection processes. During  
their telephone conference, each of the Reporting Person and the Other  
Shareholders mutually agreed to act in concert to submit director candidate  
nominations to the Company if they collectively determined nominations to be  
appropriate.

8 The agreement is attached thereto as Ex. 99.1 A New York Times article dated April 3, 2019,  
9 attached hereto as **EXHIBIT C**, reported that “PG&E said its management had discussed the  
10 selection of a new chief executive and board members with three investment firms: Abrams Capital  
11 Management, Knighthead Capital Management and Redwood Capital Management. The firms,  
12 according to PG&E, support Mr. Johnson and the new board.”

13 7. The TCC requested that Lincoln research the amount that Baupost Group LLC paid  
14 for their subrogation claims. Attached hereto as **EXHIBIT D** is a true and correct copy of an article  
15 dated September 13, 2019 from the Wall Street Journal entitled “Klarman’s Baupost Poised to Cash  
16 In On PG&E Insurance Bet.” The article states that “Baupost paid 30 cents on the dollar to 35  
17 cents on the dollar for a significant number of California wildfire claims in late 2018 and early  
18 2019.”

19  
20 *Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the United States  
21 of America that the foregoing is true and correct to the best of my knowledge and belief.*

22 Dated: New York, New York  
23 November 8, 2019

  
Brent C. Williams